

Adult Education Fiscal Compliance Policy

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Funding Sources:

Funding sources for adult education programs come from two main sources.

- STATE legislatively appropriated
- FEDERAL - AEFLA (Adult Education and Family Literacy Act) awards granted to states through the Office of Vocational and Addult Education (OVAE)

STATE funding is legislatively determined on an annual basis and can only be awarded to school districts. Awards are made based on districts' program outcomes following a funding formula directed by Utah State Office of Education (USOE) board rule. STATE funding "flows" to the districts annually from USOE – Adult Education Services upon receipt of an annually submitted State Plan.

FEDERAL Addult Education and Family Literacy Act (AEFLA) funding is a result of the Workforce Interestment Act (WIA) – *The Adult Education and Family Literacy Act*; Title II of the Workforce Investment Act of 1998 (P.L. 105-220). States submit a State Plan outlining the state's needs, program description, annual program outcomes and projected goals. Annually, states submit a National Reporting System (NRS) state report summarizing numerically the state's total program outcomes. States' outcomes are measured against targets negotiated with OVAE. States negotiate program targets annually. FEDERAL funds may be awarded to school districts, community-based organizations of demonstrated effectiveness, volunteer literacy organizations of demonstrated effectiveness, institutions of higher education, public or private nonprofit agencies, libraries, public housing authorities, nonprofit institutions not previously listed that has the ability to provide literacy services to adults or families or consortia of any of the above stated eligible agencies based upon Requst for Proposal (RFP) grant competition. Grants maybe renewed under certain circumstances.

STATE FUNDING:

Purpose of State Funds:

STATE funds are to be used by school districts for Adult High School Completion (AHSC), GED preparation, Adult Basic Education (ABE), and English for Speakers of Other Languages (ESOL) programming. Funds are designed to provide a funding framework to establish or expand programs, to carry out legislative purposes, and to provide the basis for which grant awards and payments are to be made.

Annually, school districts submit one state plan that includes separate subset budget sheets for the portions of the program that may be providing education services as part of a consortium and for distance learning programming.

Funding Formula Distribution:

Adult education programs are expected to maintain and offer viable programs. Funds are allocated, with an approved plan, according to USOE Board Rule R277-733-9 as follows:

- Base amount – 7% of appropriation
- Measurable outcomes – 50% of appropriation inclusive of:
 - 30% - awarded enrollee adult education secondary diplomas
 - 25% - awarded enrollee GED certificates
 - 30% - number of enrollee level gains
 - 15% - number of enrollee AHSC high school credits earned
- Number of enrollees – 25% of appropriation
- Number of student contact hours (enrollees and participants) – 16% of appropriation
- 2% of the total STATE funds are identified for district programs supplemental support for special programs or professional development. Funds are distributed through submission of an application and with USOE approval.

Supplemental Funding:

Priority for supplemental funding will be given to district programs whose annual adult education base amount is less than 1% of the STATE total as indicated on the state allocation table. The request for supplemental funding is made annually through a supplemental application process between July 1st and September 1st. After September 1st, remaining districts may apply for any unallocated supplemental funds.

Carryover of State Funds:

State funds are to be spent in their entirety by June 30th of the fiscal year of allocation. If it becomes necessary for a program to “carryover” state funds the following stipulations apply:

- State funds can only be carried over for one fiscal year.
- No more than 10% of the program’s grant or \$50,000 whichever is the smaller amount may be carried over.
- If a program is unable to expend the requested /approved carryover amount during the designated fiscal year, the remaining carryover balance will be deducted from the program’s following year state allocation.

Process to Request Carryover Funds:

- A preliminary written request shall be submitted by the district’s business administrator to the state adult education coordinator by August 1st.
- The final/actual written request shall be submitted by the district’s business administrator to the state adult education coordinator detailing the dollar amount of the carryover and the intended use by October 1st for approval.
- Written notification of approval or denial of request will be sent to the district’s business administrator and the adult education program director.
- Programs approved for carryover funds shall submit a revised State Plan and Budget Sheet outlining the change in program focus and proposed expenditures as a result of the approved carryover allocation by October 15th.
- Carryover funds are to be expended by June 30th of the program year that approval is granted.
- Programs requesting “carryover” funds are not eligible to apply for supplemental funds.

Application Process for STATE Funds:

Funds are awarded annually to district programs based on a funding formula. Programs are required to submit a Funding Program Plan addressing the improvement of educational opportunities for adults who lack the level of literacy skills required for effective citizenship and productive employment.

At the conclusion of the legislative session:

- The state allocation formula (see STATE Funding Formula Distribution) will be applied to available legislative funds.
- District directors and coordinators will review award allocations in March.
- Districts complete and submit to the USOE/Adult Education Services a State Funding Program Plan by May 15th of each year.
- STATE award letters will be sent to each district’s business administrator and program director during the month of July based on the district’s submitted plan.

Responsibilities Associated with Acceptance of STATE Funds:

Districts accepting STATE funds are responsible for assuring that funds are used to provide educational services to students meeting the following parameters:

- Individuals who make their primary and permanent home in Utah
- Individuals who are 17 years of age or older whose high school class has graduated
- Individuals who are under 18 years of age and are married; or have been adjudicated as an adult, or is an out-of-school youth ages 16 and up

Additionally, programs must assure that they will:

- implement Quality Standards and Indicators as outline in Appendix A.

FEDERAL FUNDING:

Purpose of Federal Funds:

FEDERAL funds are to be used for ABE, AHSC/GED preparation, ESOL and English Language/Civics Education (EL/Civics) programming.

- Separate Request for Proposals (RFP) is required
- School districts may apply for ABE, AHSC, ESOL and EL/Civics
- CBOs, et. al., may apply for ABE , ESOL and EL/Civics

FEDERAL funds are received by the state through two awards.

- AEFLA (to be used for ABE (literacy), AHSC, and ESOL)
- EL/Civics Education (to be used for English language acquisition with an emphasis on civics understanding and civics involvement)

By federal directive, federal funds are distributed within the state plan as follows:

- 82.5% to programs (of which no more than 10% can be used for corrections/institutionalized students)
- 5% State administration
- 12.5% State leadership activities

Federal Funding Distribution:

Local programs are capped at 5% for:

- Planning
- Personnel development
- Interagency coordination
- Cost of administration

Note: a 5% ceiling may be too restrictive to allow for adequate planning, personnel development, and interagency coordination. In these instances, the program is permitted to negotiate with the state coordinator to determine an adequate level of funds to be used for noninstructional purposes.

Programs may use federal funds to supplement but not supplant other state or local public funds expended for adult education services. This means that federal funds are not to be used for services that a program is required to provide under other federal, state or local initiatives previously provided for from non-federal sources in the prior year.

- Funding to local programs must be on a competitive RFP basis and for multi-year periods.
- The state requires programs receiving federal funds to provide a 25% match, with non-federal funds, of the total amount expended for adult education and literacy activities. This match must not be the same “source” that is used as contributions for any other federally assisted project or program.
- The state must demonstrate maintenance of effort by reporting annually what the state (legislative) contribution is in support of receipt of the federal AEFLA allotment. If the state fails to maintain effort in funding from the prior year, the U.S. Secretary of Education may provide for a pro-rated reduction in federal funding rather than termination of the state’s funding.

Programs using federal funds for corrections education must give priority to serving individuals who are likely to leave the correctional facility within five years of participating in the education program.

All federal funds must be used in one or more of four broad categories:

- ABE, ESOL, and/or AHSC
- Work-based learning
- Family literacy
- EL/Civics Education

Support services such as counseling are allowable expenses.

States may be eligible for a Federal Incentive Grant on an annual basis if the performance standards for AEFLA and the Department of Workforce Services meet or exceed their performance standards (targets). For adult education programs, the data submitted on the annual NRS report is the determining measure for each state’s targets being met.

Application Process for FEDERAL Funds:

With the reauthorization of WIA, it will be necessary for eligible entities to compete for FEDERAL allocated funds. Funds are awarded for a two year period. Program applications must address the improvement of educational opportunities for:

- adults who lack the level of literacy skills required for employment and self-sufficiency
- adults who are parents to obtain educational skills necessary to become full partners in their children's educational development
- adults to complete a secondary school education

When AEFLA funds are made available, interested parties:

- are notified through posting of a legal notice through the Newspaper Agency the USOE Adult Education Services website, and word of mouth
- are required to attend a bidders conference
- are to submit to the USOE/Adult Education Services, an application that will be reviewed for its merit
- an award letter or rejection letter will sent at the conclusion of the competition process

Responsibilities Associated with Acceptance of FEDERAL Funds:

Programs accepting FEDERAL funds are responsible for assuring that funds are:

- Used to provide education services to individuals 16 years of age and older who are not enrolled in secondary school who, under state law:
 - Lack sufficient mastery of basic educational skills to enable the individuals to function effectively in society,
 - Do not have a high school diploma or its recognized equivalent, and have not achieved an equivalent level of education,
 - Are unable to speak, read, or write the English language,
- Utilized to implement Quality Standards and Indicators as outline in Appendix A.
- Funds associated with FEDERAL awards are obtained quarterly by receiving programs through the submission of a Reimbursement Request Form (See Policy and Procedures Manual Tab O) on a quarterly basis. Note: reimbursement requests should be made using the most recent Reimbursement Request Form located on the USOE Finance Department website:
<http://www.schools.utah.gov/finance/default.htm>
- Programs are responsible to adhere to the allowable and unallowable costs associated with the acceptance of FEDERAL funds.
- Federal funds must be expended within 27 months of award year

Availability of both STATE and FEDERAL funds are subject to change annually based on state legislative and federal congressional allocations.

<p align="center">STATE Funding (Districts only) (flow through funding)</p>

State financial assistance available for:	Application required: STATE Plan	Distribution based on:	Accessing Funds:
AHSC, ABE, ESOL	YES – must be specific to numbers of students served in program area and target outcomes	State Funding Formula	Distribution to districts based on outcomes from previous year's data

<p align="center">FEDERAL Funding (Eligible providers as indicated in AEFLA) (Request for Proposal – RFP)</p>

Federal financial assistance available for:	Application required: RFP	Distribution based on:	Accessing Funds:
AHSC, ABE, ESOL and EL/Civics (separate funding)	Yes – must be specific to numbers of students served in program area and target outcomes	Competitive RFP	Quarterly reimbursement request (See Policy and Procedures Manual Tab J)

All adult education programs annually submit to the USOE/ Adult Education Services the following reports:

- Completed UTopia data entry by July 15th
(information required for legislature and OVAE – NRS reports)
- Fees, Fines, and Other Financial Sources Collected Report by July 15th
(information required for legislative fiscal analyst)
- End-of-Year Program Narrative Summary by July 15th
(narrative of program accomplishments justification of financial awards)
- Utah Legal Compliance Audit Independent Financial Report (see Policy and Procedures Manual Tab M) by September 15th
(substantiates State and Federal outcomes)

General Accounting Rules:

In order for a state to receive a federal award, it is necessary for the state to “maintain effort” with a financial match ensuring funding for adult education programs. The states also may have emergency situations where they are forced to divert legislative funding from adult education and, thus, may not be able to make the required state financial match. When a state is unable to “make the match” the federal dollars that are awarded to the state may be reduced proportionately; thus reducing the funding available for programs.

Programs applying for and accepting State and/or Federal funding require assurance of coordination among providers to avoid duplication of services, programs, and/or activities made available to adults under other local, federal or state adult education programs. Programs must demonstrate that funds are used effectively and efficiently.

As part of program tri-annual monitoring visits, business administrator accounting spreadsheets are to be made available to the program monitoring staff reflecting awarded funds (both State and Federal) and expenditures associated with the awards separated by funding category.

Adult Education Programs Board Rule R277-733-8-B states that “tuition and fees *shall be charged* for literacy courses and adult high school general courses in an amount not to exceed \$100 annually per student *based* on the student’s ability to pay as *determined by federal free and reduced lunch guidelines...*”and that, “The appropriate student fees and tuition shall be determined by the local school board or CBO board of trustees”.

Appendix A

QUALITY STANDARDS AND INDICATORS

The Utah Quality Standards and Indicators: defined February 1999.

ADMINISTRATION

- Standard 1** The adult education program has a formal organizational structure with an established philosophy and goals for guiding program operations.
- Indicator 1:** Written documentation of current organizational structure is available for review.
 - Indicator 2:** Written, updated documentation of philosophy and goals are available for review.
- Standard 2** Program administrators will ensure that staff duties and qualifications are adult education-oriented.
- Indicator 1:** A written job description for each adult education position is available.
 - Indicator 2:** Staff selection and retention practices will adhere to current job descriptions and standards.
- Standard 3** Program evaluation will be well defined and implemented.
- Indicator 1:** Written documentation of student evaluation is available and includes evaluation measures of the administration, student services, staff, staff development, instructional methods, facilities, and community relations.
 - Indicator 2:** Written documentation of teacher evaluation is available and includes evaluation measure of the administration, student services, staff, staff development, peer reviews facilities, and community relations.
 - Indicator 3:** Written documentation of administrative evaluation is available and includes evaluation measures of the student services, staff, staff development, instructional methods, facilities, and community relations.
 - Indicator 4:** Written documentation of community evaluation is available and includes evaluation measures of the administration, student services, staff, staff development, instructional methods, facilities, and community relations.
 - Indicator 5:** Written documentation of student outcomes is available validating data entered into UTopia.

Indicator 6: Written documentation of student participation (contact hours) is available validating data entered into UTopia.

Standard 4

Each local education agency will establish and maintain a system for issuing adult high school credit.

Indicator 1: Written documentation of awarded credits is available and maintained in the student's record for perpetuity.

Indicator 2: Written documentation of earned credit is available validating data entered into UTopia.

Standard 5

A system is established and maintained for defining Adult Basic Education (ABE), Adult High School Completion (AHSC) and English for Speakers of Other Languages (ESOL) levels and documenting student progress.

Indicator 1: Competencies for each level have been defined and are available for review.

Indicator 2: Written documentation of student entry level and progress is available for review.

STUDENT SERVICES

Standard 1

A written, formal intake process is established in each program with the following data being maintained in UTopia.

Indicator 1: A written intake form includes student age, gender, and population group.

Indicator 2: A written process for identifying enrollee status is established.

Indicator 3: A written record is available identifying student citizenship and residency status.

Indicator 4: A written record is available identifying student education and career goals.

Indicator 5: A written record is available identifying student voting status, employment status, and public assistance status.

Standard 2

A diagnostic process is established in each program for student placement and educational planning.

Indicator 1: An evaluation process for identifying student placement is established.

Indicator 2: An advisement process is in place for student educational planning.

- Standard 3** Assessments are conducted to show evidence of student progress.
Indicator 1: A written process for documenting student progress is established.
- Standard 4** Systematic and ongoing Student Education/Occupation Plans (SEOPs) are developed and reviewed for each student with trained staff.
Indicator 1: A written process for planning and maintaining SEOPs is established using ABE and AHSC standards. Documented data is maintained in UTopia
- Standard 5** Individual student records are maintained.
Indicator 1: General Educational Development (GED) attainment as well as other sources used for the awarding of credit is maintained in student records.
Indicator 2: For students under the age of 22 the most recent special education IEP is to be maintained.
Indicator 3: Outside psychological, psychiatrist or medical documentation used in determining programming accommodations, accommodations provided must be maintained to validate student services.
Indicator 2: A current cumulative transcript and graduation attainment is maintained in student records.

FACILITIES

- Standard 1** Public facilities used for adult educational purposes meet Utah public school standards for access, safety, and health.
Indicator 1: Written documentation of meeting facility standards is available.
Indicator 2: Written documentation of meeting Americans with Disabilities Act (ADA) standards is available.

INSTRUCTION

- Standard 1** Adult instruction is designed to employ research-based methods.
Indicator 1: A written plan outlining student-teacher ratios, appropriate for instructional content and intended student outcomes, is available.
Indicator 2: Each teacher will submit a written plan for instructional methods that include varied styles and techniques to meet learner needs.
Indicator 3: Student evaluations show that instruction is culturally sensitive, instructional materials are technologies are contemporary, and adult learner appropriate materials and technologies are available for student use.

STAFF DEVELOPMENT

- Standard 1** Staff development is occurring at the state, regional, and local levels.
- Indicator 1:** A written staff development plan is in place and includes incentives and financial support for instructor and staff participation. Access to basic orientation and mentor programs is in place.
 - Indicator 2:** Documentation shows staff participation in one or more staff development activities.
 - Indicator 3:** Input from student evaluations are included in designing staff development activities.
 - Indicator 4:** Program shows evidence that new adult education staff is oriented to adult issues and practices.

COMMUNITY RELATIONS

- Standard 1** Plans and procedures are in place for improving public awareness about the adult education program.
- Indicator 1:** Evidence of an Adult Education Advisory Council/Consortium or other interagency collaboration including at a minimum representation from the Department of Workforce Services, Office of Rehabilitation, and higher education focused on adult education, as established by a roster, meeting minutes, agendas, and/or other written records, is available.
 - Indicator 2:** A written description of partner roles and participation to identify and recruit eligible adult learners into the adult education program is available for review.
 - Indicator 3:** Evidence of efforts to increase community awareness about the adult education program is available.
- Standard 2** Community resources are part of the program.
- Indicator 1:** Evidence of collaboration with individuals, businesses, agencies, and other community organizations is available.
 - Indicator 2:** Evidence of community involvement between the local community and the adult education program is available.

Appendix B

Definitions

Direct Cost -costs that can be identified specifically with a final cost objective. Costs charged to FEDERAL grants that include:

- Compensation of employees for the time devoted and identified specifically to the performance of the award.
- Cost of materials acquired, consumed, or expended specifically for the purpose of the award
- Equipment and other approved capital expenditures
- Travel expenses incurred specifically to carry out the award

Indirect Cost - costs associated by the program as well as those incurred by other departments in supplying goods, services, and facilities. Cost pools should be distributed to benefited cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

Supplement not supplanting of Funds -funds “adding to or enhancing a program” rather than funds “to make up” a financial program need.